

**[DISCUSSION DRAFT]**115<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION**H. R.** \_\_\_\_\_

To establish a National Appraiser Licensing System and Registry for licensing and registration of real estate appraisers and appraisal management companies, and for other purposes.

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**IN THE HOUSE OF REPRESENTATIVES**

Mr. STIVERS introduced the following bill; which was referred to the  
Committee on \_\_\_\_\_

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**A BILL**

To establish a National Appraiser Licensing System and Registry for licensing and registration of real estate appraisers and appraisal management companies, and for other purposes.

1        *Be it enacted by the Senate and House of Representa-*  
2        *tives of the United States of America in Congress assembled,*

3        **SECTION 1. SHORT TITLE.**

4        This Act may be cited as the “\_\_\_\_\_ Act  
5        of 2018”.

1 **SEC. 2. FUNCTIONS OF APPRAISAL SUBCOMMITTEE.**

2 Subsection (a) of section 1103 of the Financial Insti-  
3 tutions Reform, Recovery, and Enforcement Act of 1989  
4 (12 U.S.C. 3332(a)) is amended—

5 (1) by striking paragraphs (1), (2), and (4);

6 (2) in paragraph (3)—

7 (A) by inserting “, through the National  
8 Appraiser Licensing System and Registry estab-  
9 lished under section 1127,” after “maintain”;  
10 and

11 (B) by striking “and” at the end;

12 (3) in paragraph (5), by striking “. The report”  
13 and all that follows through “compliance” and in-  
14 serting “; and”;

15 (4) in paragraph (6), by inserting “, through  
16 the National Appraiser Licensing System and Reg-  
17 istry established under section 1127,” after “main-  
18 tain”;

19 (5) by redesignating paragraphs (3), (5), and  
20 (6) as paragraphs (1), (3), and (4), respectively; and

21 (6) by inserting after paragraph (1), as so re-  
22 designated by paragraph (5) of this section, the fol-  
23 lowing new paragraph:

24 “(2) establish the National Appraiser Licensing  
25 System and Registry under section 1127;”.

1 **SEC. 3. NATIONAL APPRAISER LICENSING SYSTEM AND**  
2 **REGISTRY.**

3 Title XI of the Financial Institutions Reform, Recov-  
4 ery, and Enforcement Act of 1989 (12 U.S.C. 3331 et  
5 seq.) is amended by adding at the end the following new  
6 sections:

7 **“SEC. 1127. ESTABLISHMENT OF NATIONAL APPRAISER LI-**  
8 **CENSING SYSTEM AND REGISTRY.**

9 “(a) OBJECTIVES.—To increase uniformity, reduce  
10 regulatory burden, enhance consumer protection, and re-  
11 duce fraud, the Appraisal Subcommittee shall establish a  
12 Nationwide Appraiser Licensing System and Registry for  
13 the appraisal industry that accomplishes all of the fol-  
14 lowing objectives:

15 “(1) Provides uniform license applications and  
16 reporting requirements for State certified or licensed  
17 appraisers.

18 “(2) Provides a comprehensive certification, li-  
19 censing, and supervisory database.

20 “(3) Aggregates and improves the flow of infor-  
21 mation to and between regulators.

22 “(4) Provides increased accountability and  
23 tracking of appraisers and appraisal management  
24 companies.

25 “(5) Streamlines the certification and licensing  
26 processes and reduces the regulatory burden.

1                   “(6) Enhances consumer protections and sup-  
2                   ports anti-fraud measures.

3                   “(7) Provides consumers with easily accessible  
4                   information, offered at no charge, utilizing electronic  
5                   media, including the Internet, regarding the employ-  
6                   ment history of, and publicly adjudicated discipli-  
7                   nary and enforcement actions against, appraisers.

8                   “(b) **CONTRACT WITH EXISTING ENTITY.**—In estab-  
9                   lishing the Nationwide Appraiser Licensing System and  
10                  Registry, the Appraisal Subcommittee shall endeavor to  
11                  contract with an existing entity that provides, for the Na-  
12                  tionwide Mortgage Licensing System and Registry estab-  
13                  lished under the S.A.F.E. Mortgage Licensing Act of 2008  
14                  (12 U.S.C. 5101 et seq.), the same types of services to  
15                  be carried out by the Nationwide Appraiser Licensing Sys-  
16                  tem and Registry.

17                  **“SEC. 1128. STATE REGISTRATION APPLICATION AND**  
18                  **ISSUANCE.**

19                  “(a) **BACKGROUND CHECKS.**—If required under sec-  
20                  tion 1116 and in connection with an application to any  
21                  State for certification or licensing, and registration, as a  
22                  State certified or licensed appraiser, the applicant shall,  
23                  at a minimum, furnish to the Nationwide Appraiser Li-  
24                  censing System and Registry information concerning the  
25                  applicant’s identity, including—

1 “(1) fingerprints for submission to the Federal  
2 Bureau of Investigation, and any governmental  
3 agency or entity authorized to receive such informa-  
4 tion for a State and national criminal history back-  
5 ground check; and

6 “(2) personal history and experience, including  
7 authorization for the System to obtain information  
8 related to any administrative, civil or criminal find-  
9 ings by any governmental jurisdiction.

10 “(b) LIMITATION.—To maintain the independence of  
11 the the appraisal standards and appraiser qualifications  
12 processes, the Appraisal Foundation shall not directly or  
13 indirectly offer qualifying or continuing education or  
14 credentialing programs for appraisers other than the sub-  
15 ject of appraisal standards for satisfying minimum quali-  
16 fications requirements.

17 **“SEC. 1129. BACKUP AUTHORITY TO ESTABLISH APPRAISER**  
18 **LICENSING SYSTEM.**

19 “(a) IN GENERAL.—If the Director of the Bureau of  
20 Consumer Financial Protection (in this section referred to  
21 as the ‘Director’) determines that the Appraisal Sub-  
22 committee is failing to meet the requirements of this title  
23 for establishing a comprehensive licensing, certification,  
24 and monitoring system based on the audits conducted pur-  
25 suant to subsection (b), the Director shall establish and

1 maintain a licensing and certification system to replace  
2 the National Appraiser Licensing System and Registry.

3 “(b) AUDITS.—Not later than 2 years after the date  
4 of enactment of this section, and every 2 years thereafter,  
5 each State appraiser certifying and licensing agency shall  
6 conduct an audit, by an independent auditor, and submit  
7 a report to the Appraisal Subcommittee on the State’s  
8 compliance with the requirements of subsection (d).

9 “(c) REPORTS.—Pursuant to each audit conducted  
10 pursuant to subsection (b), the Appraisal Subcommittee  
11 shall submit a report to the Director regarding the audit  
12 results, and the Director shall use such reports in deter-  
13 mining compliance with this section.

14 “(d) STATE CERTIFICATION OR LICENSING LAW RE-  
15 QUIREMENTS.—For purposes of this section, the law in  
16 effect in a State meets the requirements of this subsection  
17 if the Director determines the law satisfies the following  
18 minimum requirements:

19 “(1) A State appraiser certifying and licensing  
20 agency is maintained to provide effective supervision  
21 and enforcement of such law, including the suspen-  
22 sion, termination, or nonrenewal of a certification or  
23 license for a violation of State or Federal law.

24 “(2) The State appraiser certifying and licens-  
25 ing agency ensures that all State certified or licensed

1 appraisers and appraisal management companies op-  
2 erating in the State are registered with Nationwide  
3 Appraiser Licensing System and Registry.

4 “(3) The State appraiser certifying and licens-  
5 ing agency is required to regularly report violations  
6 of such law, as well as enforcement actions and  
7 other relevant information, to the Nationwide Ap-  
8 praiser Licensing System and Registry.

9 “(4) The State appraiser certifying and licens-  
10 ing agency has a process in place for challenging in-  
11 formation contained in the Nationwide Appraisal Li-  
12 censing System and Registry.

13 “(5) The State appraiser certifying and licens-  
14 ing agency has established a mechanism to assess  
15 civil money penalties for individuals acting as ap-  
16 praisers in their State without a valid certification,  
17 license, or registration.

18 **[(e) TEMPORARY EXTENSION OF PERIOD.—**The  
19 Appraisal Subcommittee may extend, by not more than  
20 24 months, **[the 1-year or 2-year period, as the case may**  
21 **be, referred to in subsection (a)]** for the certifying or li-  
22 censing of appraisers in any State under a State certifying  
23 and licensing law that meets the requirements of sections  
24 1128 and 1129 and subsection (d) if the Subcommittee  
25 determines that such State is making a good faith effort

1 to establish a State certifying and licensing law that meets  
2 such requirements, certify and license appraisers under  
3 such law, and register such appraisers with the Nation-  
4 wide Appraiser Licensing System and Registry. [NOTE:  
5 The provision in the original draft creating the 1- and 2-  
6 year periods has been struck from this draft, so this provi-  
7 sion probably does not have any effect.]”.]

8 **SEC. 4. DEFINITIONS.**

9 Section 1503 of the Financial Institutions Reform,  
10 Recovery, and Enforcement Act of 1989 (12 U.S.C. 5102)  
11 is amended by adding at the end the following new para-  
12 graphs:

13 “(14) NATIONWIDE APPRAISER LICENSING SYS-  
14 TEM AND REGISTRY.—The term ‘Nationwide Ap-  
15 praiser Licensing System and Registry’ means an  
16 appraiser licensing system developed and maintained  
17 by the Appraisal Subcommittee for the State certifi-  
18 cation, licensing, and registration of State-certified  
19 and licensed appraisers and the registration of reg-  
20 istered appraisers or any system established by the  
21 Appraisal Subcommittee under section 1130.

22 “(15) REGISTERED APPRAISER.—The term  
23 ‘registered appraiser’ means any individual who is—



1           “(A) a State certified or licensed appraiser  
2 who is eligible to perform appraisals in federally  
3 related transactions; and

4           “(B) registered with, and maintains a  
5 unique identifier through, the Nationwide Ap-  
6 praiser Licensing System and Registry.

7           “(16) UNIQUE IDENTIFIER.—

8           “(A) IN GENERAL.—The term ‘unique  
9 identifier’ means a number or other identifier  
10 that—

11           “(i) permanently identifies an ap-  
12 praiser;

13           “(ii) is assigned by protocols estab-  
14 lished by the Nationwide Appraiser Licens-  
15 ing System and Registry to facilitate elec-  
16 tronic tracking of appraisers and uniform  
17 identification of, and public access to, the  
18 employment history of and the publicly ad-  
19 judicated disciplinary and enforcement ac-  
20 tions against appraisers; and

21           “(iii) shall not be used for purposes  
22 other than those set forth under this title.

23           “(B) RESPONSIBILITY OF STATES.—To the  
24 greatest extent possible and to accomplish the

1           purpose of this title, States shall use unique  
2           identifiers in lieu of social security numbers”.